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UTAH STATE  
INSURANCE DEPT.

M. GALE LEMMON #4363  
Assistant Attorney General  
MARK L. SHURTLEFF #4666  
Attorney General  
Attorneys for Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, UT 84114  
Telephone (801) 538-3872

**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH**

**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENT:**

KENT J. TILLEY  
491 S. Main Street, #13  
Cedar City, UT 84720  
License No. 211449

**STIPULATION  
&  
ORDER**

**Docket No.** 2005-098-LF

Enf. Case No. 1643

**STIPULATION**

1. Respondent, Kent J. Tilley, is a licensed insurance agent in the State of Utah, holding License No. 211449.

2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:

- a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
- b. Respondent admits the Findings of Fact and Conclusions made therefrom;
- c. Respondent stipulates to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and

d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

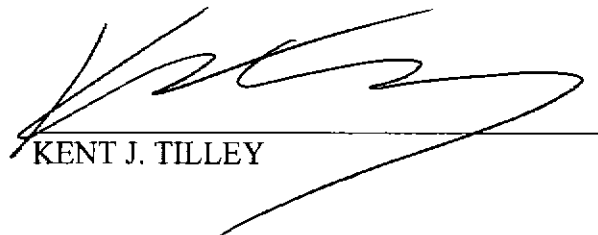
3. Respondent is aware of his right to a hearing at which he may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived his right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

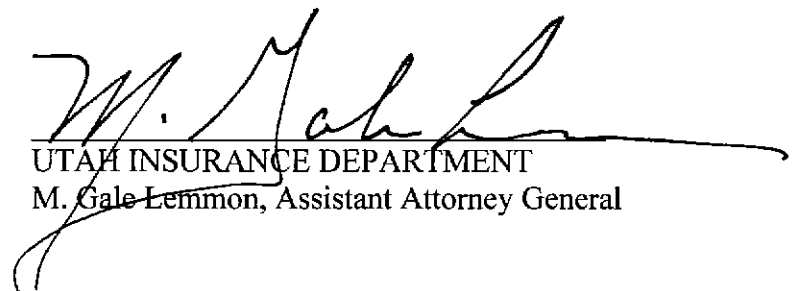
5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to his rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for the purpose of disposition of the matter entitled herein.

DATED this 17<sup>th</sup> day of October, 2005.



KENT J. TILLEY



UTAH INSURANCE DEPARTMENT  
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. On or about November 11, 2004, Respondent took an application for a life insurance policy with a spouse rider for Primerica Life Insurance Company ("Primerica") from residents of Cedar City, Utah.
2. At the time Respondent took said application the applicants had existing policies with Northwestern Mutual Life Insurance Company.
3. At the time Respondent took said application, he knew or should have known that the existing policies would be terminated as a result of the Primerica transaction.
4. In the application, the Respondent marked "No" to the question "Has or will any existing Life Insurance or Annuities be replaced or changed . . .?" and failed to list the details of all existing policies in the application as required. The Respondent and the applicants each signed the application.
5. Respondent failed to complete and submit a Replacement Notice when he took the application.
6. When the Primerica policy was issued, the insureds cancelled their existing life insurance policies.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. In submitting false or misleading information in an application for insurance, Respondent violated Utah Code Annotated § 31A-23a-402(1)(a)(i).
2. In failing to complete and submit a Replacement Notice when he knew or should have known that replacement of an existing policy was intended, Respondent violated Utah Administrative Code Rule R590-93-6.
3. Pursuant to Utah Code Annotated § 31A-2-308(1)(a) & (b), Respondent is subject to a forfeiture of twice the amount of any profit gained from any violation of the Utah Insurance Code or Rules plus additional forfeitures of up to \$2,500.00 per violation.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

**ORDER**

IT IS HEREBY ORDERED:

1. Respondent is assessed an administrative forfeiture in the amount of \$600.00, to be paid in two equal monthly payments. The first payment shall be made within 10 days of the date of this Order. The second payment shall be paid within 40 days of the date of this Order.

**NOTIFICATION**

Respondent is hereby notified that failure to abide by the terms of this Order may subject

him to further penalties, including additional forfeitures of up to \$2,500.00 per violation and the suspension or revocation of his license, and the filing of an action to enforce this Order in the District Court, which may impose penalties of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

DATED this 27<sup>th</sup> day of October, 2005.

D. KENT MICHIE  
INSURANCE COMMISSIONER

A handwritten signature in black ink, appearing to read "Mark E. Kleinfeld", is written over a horizontal line.

MARK E. KLEINFELD, Esq.  
Administrative Law Judge  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone (801) 538-3800

CERTIFICATE OF MAILING

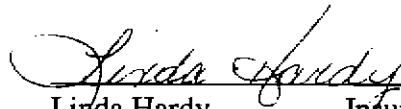
I do hereby certify that on this date I mailed, by regular mail, postage prepaid, a true and correct copy of the attached:

**STIPULATION  
&  
ORDER**

To the following:

**Kent Tilley  
c/o Primerica  
5 North Main Street, Suite 102  
Cedar City, UT 84720**

DATED this 27<sup>th</sup> day of October, 2005



Linda Hardy Insurance Technician  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114-6901  
(801) 538-3813

**Invoice****Due Date** 11-07-2005**Amount Due**

\$600.00

**Invoice ID** 263642**Payor ID** 99266**Total Amount Remitted** \$

Make Checks Payable To:

**Utah Insurance Department****3110 State Office Building****Salt Lake City, UT 84114-6901**

KENT J TILLEY  
C/O PRIMERICA  
5 NORTH MAIN ST STE 102  
CEDAR CITY UT 84720

**Invoice ID** 263642**Payor ID** 99266**Invoice Print Date** 10-27-2005**Items:**

10-27-2005 Monetary Penalty Individual

600.00

**Amount Due..... \$600.00**